

NEWS RELEASE

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Just in Time for Holidays, Customers Reap Dividends From Texas AgFinance

ROBSTOWN, Texas — In this season of sharing, many farmers and ranchers are getting a holiday surprise. About 600 customers who have had loans with Texas AgFinance in the past are getting money back from the lender this week.

Sharing in the company's success is one of the benefits of doing business with Texas AgFinance. The customer-owned cooperative lender makes it a goal to offer competitive rates up front, then return most of its earnings to its member-customers later to reduce their effective cost of borrowing.

The customers receiving the payments had production credit loans with Texas AgFinance in 2001 and 2002. The checks, which add up to \$1.29 million, represent portions of the lender's earnings that were set aside for future payment. When combined with the rest of the earnings that were paid for those years, the checks reduce the customers' borrowing costs by as much as 22.36 percent. Even better, the tax on the distribution has already been paid, so the entire amount can stay in customers' pockets.

The lender's board of directors decided to pay the remaining rebate for two years at once because of the co-op's strong financial results this year.

"When the financial markets took a downward turn, there was a lot of uncertainty," says Jimmy Wright, chief executive officer. "But during that time, our association performed very well. Our financial stability has not only allowed us to weather the storm, but to grow at a time when many financial institutions have been scaling back."

Texas AgFinance has been making farm and ranch loans since 1933. The lender specializes in financing agricultural operations and the purchase and improvement of rural property, including loans for farms, ranches, hunting land and other recreational property. It is a member of the nationwide Farm Credit System, the nation's single largest source of loans for agriculture, agribusiness, rural real estate and country homes.

Headquartered in Robstown, the lender has offices in Bandera, Brenham, Hebbronville, Pleasanton, Raymondville, Robstown, San Antonio, Uvalde and Weslaco. For more information, visit www.TexasAgFinance.com.